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REVIEW OF EXPENDITURES IN EXCESS OF COMMITMENTS AND UNSPENT COMMITMENTS FOR COMPLETED PROJECTS FINANCED BY SUPPLEMENTARY FUNDS

SUMMARY

The present report summarizes the outstanding balances of expenditures in excess of commitments and the unspent balances of commitments for completed supplementary-funded projects as at 31 December 1990.

INTRODUCTION

1. As a result of the expanded audit of 1986, the 1988 Executive Board established the procedures to be followed in disposing of outstanding balances of overspent and unspent commitments for completed projects.

2. Regarding expenditures in excess of commitments, the 1988 Executive Board, in its decision 1988/11 H (E/ICEF/1988/13), established, inter alia, the following:

> "The financial implementation of supplementary-funded programmes should remain within the funded amounts. However, during the implementation, because of exchange rate fluctuations or other price increases that are out of UNICEF control, the resource needs may exceed those of the original project budget. In such cases, the donor(s) will be approached for additional support. If the additional support is not forthcoming, the project will be phased out and any overexpenditures will be allocated from general resources. The secretariat will report all such cases to the Executive Board specifying the amount in United States dollars, the assisted country to which it relates, and the explanation of the overexpenditures."

3. In addition, in its decision 1988/11 I (E/ICEF/1988/13), the 1988 Executive Board established the following procedure for commitments in excess of expenditures:

> "When it is determined that a project is completed with savings, and where appropriate, the donor will be approached for possible reprogramming. If the donor does not agree, the balance of commitments will be cancelled and returned to the donor."

I. DISPOSITION OF BALANCES RELATING TO THE EXPANDED AUDIT

4. The 1989 Executive Board reviewed the balances of overspent projects relating to completed projects as of 31 December 1986 which were the subject of the 1986 expanded audit. At that time, the Board authorized the adjustment of overexpenditures totalling $18,545,613 against general resources (E/ICEF/1989/AB/L.12). In 1989, the adjustments for these accounts amounted to $16,298,931.52 (E/ICEF/1990/AB/L.10).

5. During 1990, as a further result of the "clean-up" of the programme accounts, with particular reference to completed projects included in the expanded audit of the 1986 accounts, additional corrections were made. The resulting adjustments to these accounts amounted to $440,935.71. Details can be found in annex I to the present document.

II. DISPOSITION OF OVERSPENT BALANCES FOR COMPLETED PROJECTS

6. Over and above the overexpenditures relating to the expanded audit of the 1986 accounts and in accordance with the policy of the Executive Board as noted in paragraph 2 above, the secretariat reported overexpenditures of $4,835,863.20 to the Executive Board at its 1990 session (E/ICEF/1990/AB/L.10). In reviewing these overspent balances in 1990, some corrections to the overspent contributions were made. After such corrections, the resulting adjustments against general resources amounted to $254,852.62 as of 31 December 1990. Details can be found in annex II to the present document.

7. The present report also summarizes the balances of overspent commitments relating to completed projects as of 31 December 1990 totalling $11,225,290.57. This amount includes $3,154,547.57 in overexpenditures, already reported to the Executive Board in its 1990 session, which have not been adjusted pending further analysis to be undertaken in 1991. Thus $8,070,743 is the amount of overexpenditures on completed projects being reported to the Board for the first time. All overexpenditures will be reviewed in 1991 and the necessary action taken in accordance with the policy as stated in paragraph 2 above. The details can be found in annex III to the present document.

III. UNSPENT COMMITMENTS FOR COMPLETED PROJECTS

8. To apply consistently the procedure reported by the secretariat to the Executive Board in its 1990 session on unutilized funds of small amounts, total unutilized funds of $3,834.23 were transferred to general resources as of 31 December 1990. Details can be found in annex II.

9. In accordance with the policy of the Executive Board as noted in paragraph 3 above, further analysis of unspent commitments totalling $55,413.02 related to completed projects as of 31 December 1990 will be undertaken by the secretariat in 1991. Where the balances are determined to be valid, discussions with the donors on the possible reprogramming of such unspent commitments will be pursued in 1991. Based on the results of the analysis and discussions with the donors, the necessary action will be taken in 1991 and reported to the Executive Board in 1992. Details can be found in annex III.

Annex I

SUMMARY OF COMPLETED PROJECTS RELATED TO 1986 EXPANDED AUDIT

(In United States dollars)

Region/country	Deficit
Angola	(104,517.39)
Chad	(11,305.94)
Ethiopia	(108,884.00)
Gambia	(606.47)
Guinea-Bissau	(958.40)
Mali	(46,694.94)
Somalia	(12,225.37)
Uganda	(110,673.89)
United Republic of Tanzania	(5,717.38)
Zambia	(39,351.93)
Total	(440,935.71)

Annex II

SUMMARY OF UNSPENT BALANCES AND OVEREXPENDITURES FOR COMPLETED PROJECTS ADJUSTED AS AT 31 DECEMBER 1990

(In United States dollars)

Region/country	Savings	Deficit
AFRICA		
Angola	34.42	(272.60)
Botswana		(6,045.01)
Burkina Faso	59.43	(23,186.20)
Cape Verde	12.38	
Central Africa Republic	9.24	
Chad		(18,653.49)
Ethiopia	249.01	(25,919.17)
Gambia	70.59	
Guinea-Bissau		(7,476.32)
Lesotho		(63.18)
Liberia		(295.79)
Mali	0.60	(22,676.49)
Mauritania		(1,772.66)
Mauritius		(159.03)
Mozambique	53.14	(21,055.07)
Niger	15.83	(22,281.47)
Senegal	78.23	(2,734.59)
Somalia	595.72	
Swaziland	69.35	
Uganda	332.00	(783.71)
United Republic of Tanzania	19.15	
Total Africa	1,599.09	(153,374.78)

Region/country	Savings	Deficit
ASIA		
Bangladesh	161.96	(423.63)
Bhutan	422.31	(8.45)
Cambodia		(4,965.95)
China	0.29	
India	42.86	
Indonesia	91.55	(244.68)
Lao People's Democratic Republic		(428.80)
Maldives	80.00	
Myanmar	15.00	(1,644.15)
Nepal		(16,089.47)
Pakistan		(15.70)
Philippines	94.16	
Sri Lanka	11.46	(22,609.07)
Viet Nam		(806.07)
Total Asia	919.59	(47,235.97)
MIDDLE EAST AND NORTH AFRICA		
Egypt	38.87	
Lebanon	364.58	(574.37)
Lebanon Rehabilitation	58.50	
Sudan	159.41	(1,815.97)
Yemen		(502.68)
Palestinian children and mothers in Lebanon	19.24	
Palestinian children and mothers in the Syrian Arab Republic		(569.65)
Middle East and North Africa Total	640.60	(3,462.67)

Region/country	Savings	Deficit
AMERICAS		
Bolivia		(12,600.39)
Colombia	179.82	(6,872.83)
Costa Rica	3.58	(288.07)
Central America and Panama	0.29	(833.55)
Ecuador	17.85	
El Salvador	83.88	(281.37)
Guatemala	32.89	
Haiti	74.69	(760.00)
Honduras	28.64	(130.09)
Jamaica		(4.03)
Mexico	253.15	(19,827.51)
Nicaragua	0.16	(7,179.93)
Peru		(2,001.43)
Total Americas	674.95	(50,779.20)
GRAND TOTAL	3,834.23	(254,852.62)

Annex III

SUMMARY OF UNSPENT BALANCES AND OVEREXPENDITURES RELATED TO COMPLETED PROJECTS AS OF 31 DECEMBER 1990

ACTION TO BE TAKEN IN 1991

(In United States dollars)

Region/country	Savings	Deficit
AFRICA		
Angola	1,349.14	(326,793.96)
Benin		(49,351.22)
Botswana		(3,885.95)
Burkina Faso	1,394.19	(27,893.79)
Burundi	2,125.83	(36,671.47)
Cameroon	163.10	(2,326.09)
Cape Verde	205.49	(73,490.06)
Central African Republic	1,307.50	
Chad	3,266.67	(173,037.60)
Comoros		(14,879.10)
Congo		(15,660.91)
Cote d'Ivoire		(16,630.18)
Ethiopia	3,648.05	(1,624,482.94)
Gambia		(3,915 28)
Guinea-Bissau		(2,743 13)
Guinea	945.34	(49,729.01)
Ghana		(498.48)
Kenya		(11,025.38)
Lesotho	47.00	(34,007.27)
Liberia		(63,316.04)
Madagascar		(233,967.95)
Mali	772.63	(175,415.47)
Mauritania	487.53	(100,237.29)
Mozambique	3,158.65	(225,079.23)
Niger	409.66	(34,791.89)
Nigeria		(182,810.14)
Rwanda		(9,478.11)
Senegal	311.72	(92,893.32)
Sierra Leone		(56,637.21)
Somalia	954.18	(130,567.88)
Uganda		(325,681.24)
United Republic of Tanzania	1,085.20	(247,342.06)
Zaire		(24,744.98)
Zambia	149.06	(16,307.09)
Zimbabwe		(1,200.83)
Regional liberation movement		(192,151.20)
Total Africa	21,780.94	(4,579,653.75)

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Region/country	Savings	Deficit
AMERICAS		
Argentina		(1,956.31)
Belize	466.91	(33,167.62)
Bolivia	235.91	(225,319.15)
Brazil	548.81	(213,967.08)
Colombia	311.96	(3,865.15)
Dominican Republic		(4,261.30)
Ecuador	801.68	(227.91)
El Salvador	418.04	(6,685.11)
Guatemala	1,550.05	(147,906.34)
Haiti		(100,458.86)
Honduras	1,298.11	(9,059.04)
Jamaica	1,862.99	(39,239.27)
Mexico	2,112.22	(49,926.01)
Nicaragua	485.25	(141,455.57)
Panama		(6,500.00)
Peru	578.76	(100,519.68)
Caribbean regional		(34,376.21)
Central America and Panama		(541.42)
Total Americas	10,670.69	(1,119,432.03)
ASIA		
Afghanistan Rehabilitation	148.35	(676,822.37)
Bangladesh	1,227.75	(426,094.41)
Bhutan	381.61	(5,016.51)
Cambodia	1,720.32	(79,085.67)
China	754.10	(106,829.67)
India		(502,712.89)
Indonesia	1,356.37	
Lao People's Democratic Republic		(28,389.73)
Maldives		(30,721.75)
Myanmar	869.56	(128,700.94)
Nepal	1,281.91	(160,801.77)
Pakistan		(0.09)
Papua New Guinea		(18,781.37)
Philippines	6,163.18	(102,203.45)
Republic of Korea	848.67	
Sri Lanka	486.40	(129,496.02)
Thailand		(124,042.57)
Viet Nam		(89,348.82)
Total Asia	15,238.22	(2,609,048.03)

Region/country	Savings	Deficit
MIDDLE EAST AND NORTH AFRICA		
Democratic Yemen*	175.75	(115,198.25)
Djibouti		(5,866.00)
Egypt		(80,639.85)
Iran (Islamic Republic of)		(177,498.65)
Iraq		(18,164.88)
Jordan		(31,553.08)
Lebanon	2,381.92	(436,743.83)
Morocco		(15,420.80)
Saudi Arabia		(4,297.00)
Sudan	3,027.07	(1,022,456.72)
Sudan emergency	898.74	(895,080.29)
Syrian Arab Republic		(70,081.09)
Turkey		(44,125.77)
MENA regional	318.47	
Palestinian children and mothers (Syrian Arab Republic)	0.02	(30.55)
West Bank and Gaza	921.20	
Middle East and North Africa Total	7,723.17	(2,917,156.76)
GRAND TOTAL	55,413.02	(11,225,290.57)

* On 22 May 1990, Democratic Yemen and Yemen merged to form a single State. Since that date, they have been represented as one State Member with the name "Yemen".